observed that it has contributed to the de-skilling of the weavers by producing cloth of low unit value and therefore, recommended for phasing out of the scheme. The Government after examining the recommendations of this Committee, introduced package-II under Janata Cloth Scheme in the year 1993-94 with the objective of enabling handloom weavers to graduate to production of higher value textile goods and to provide alternate employment to handloom weavers displaced on account of phasing out of Janata Cloth Scheme and also decided to phase out the scheme by 1996-97. The Government, however, extended the scheme for the year 1997-98 so as to facilitate the transition.

(c) and (d) Consequent to gradual phasing out of Janata Cloth Scheme, the Government introduced two major developmental schemes-the Project Package Scheme w.e.f. 1991-92 and the Handloom Development Centre Scheme w.e.f. 1993-94 to provide critical support in an integrated and coordinated manner to the handloom weavers, including the marketing support for sale of all their products to the people, including those below the poverty line.

Jute Industry

1859. SHRI O. RAJAGOPAL:
PROF. VIJAY KUMAR MALHOTRA:

Will the Minister of TEXTILES be pleased to state:

(a) whether Government's attention has been drawn to the newsitem captioned "Jute Industry is in deep trouble";

(b) if so, the details in this regard; and

(c) the steps taken by Government in this regards

THE MINISTER OF TEXTI' (SHRI KASHIRAM RANA): (a) to The scenario of the Jute Industry ha turned out to be most favourable during the last two years. Both during 1997-98 and 1998-99 seasons, the raw jute supply position has been comfortable at reasonable prices. As a result jute industry has faced no problem to maximise production of jute goods to cope up with the huge demand.

A number of steps have been taken by the Government for promotion of jute industry which, inter-alia, include enactment of Jute Packaging Materials (Compulsory use in Packing Commodities) Act, 1987 and issue of statutory reservation orders thereunder from time to time; abolition of excise duty on all items of jute products from 1st March 1997; continuation of policy regarding purchase of jute bags from mills for Government procurement agencies on cost-plus prices; implementation of External Market Assistance Scheme; upward revision of rates of cess on jute manufactures to a maximum level for generating adequate resources for export promotion; Re-orientation of R&D activities under ongoing programme of jute diversification; setting up of National Centre for Jute Diversification; accelerated market promotion efforts by JMDC under UNDP-assisted jute sector programme.

Irregularities in purchase of subsidized yarn

1860. SHRI PARMESHWAR KUMAR AGARWALLA: Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that the yarn which is supplied to the powerloom and handloom units is not reaching the people who really need it;

(b) whether it is also a fact that it is being purchased by some associations at subsidized rates and it ends up in the open market; and

(c) if so, the action taken by Government in this regard?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA): (a) There is no control on the sale of yarn. No specific yarn is earmarked for powerloom and handloom units. There is no scarcity of yarn in the open market.

(b) and (c) Recently, the 34th report of the Department related Parliament Standing Committee on Commerce and Textiles on Demand for Grants (1998-99) of the Ministry of Textiles has observed that "many associations, who purchase the yarn at subsidized rates supplied for powerloom and handloom units under this control, but these purchases end up in the open market; the yarn never reaches the people who really need it."

This recommendation has been referred to all State Governments for their confirmation. State Government have been asked to verify the position and also suggest effective remedial measures.

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12 Noon

PAPERS LAID ON THE TABLE

Report and Accounts (1996-97) of the Air India Limited, New Delhi and related papers

THE MINISTER OF CIVIL AVIATION (SHRI ANANTH KUMAR) Sir, I lay on the Table—

I. A copy each (in English and Hindi) of the following papers, under sub-section (1) of section 619A of the Companies Act, 1956:—

(i) Annual Report and Accounts of the Air India Limited, New Delhi, for the year 1996-97, together with the Auditors' Report on the Accounts and the comments of the Comptroller and Auditor General of India thereon.

(ii) Review by Government on the working of the above Company.

II. Statement (in English and Hindi) giving reasons for the delay in laying the papers mentioned at (I) above.

[Placed in Library. *See* No. LT. 191398]

I. Report (1998) on the Working and Administration of the Companies Act, 1956.

II. Notification of the Ministry of Law, Justice and Company Affairs.

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS AND MINISTER OF SURFACE TRANSPORT (SHRI M. THAMBI DURAI): Sir, I lay on the Table—

I. A copy (in English and Hindi) of the Forty-second Annual Report on the Working and Administration of the Companies Act, 1956 for the year ended on March 31, 1998, under section 638 of the said Act.

[Placed in Library. *See* No. LT. 176398]

II. A copy (in English and Hindi) of the Ministry of Law, Justice and Company Affairs (Department of Legal Affairs) Notification G.S.R. 547 (E), dated the 31st August, 1998, publishing the Notaries (Amendment) Rules, 1998, regarding amendment in Form II-B by substituting the words "three years" for the words "five years" with retrospective effect, under sub-section (3) of section 15 of the Notaries Act, 1952.

[Placed in Library. *See* No. LT. 206198]

Reports and Accounts (1997-98) of the Various Power Corporations and related papers.

THE MINISTER OF POWER (SHRI P.R. KUMARAMANGLAM): Sir, I lay on the Table, under sub-section (1) of section 619A of the Companies Act, 1956, a copy each (in English and Hindi) of the following papers:—

(i) (a) Annual Report and Accounts of the Nathpa Jhakri Power Corporation Limited, New Shimla, for the year 1997-98 together with the Auditor's Report on the Accounts and the comments of the Comptroller and Auditor General of India thereon.

(b) Review by Govrnment on the working of the above Corporation.

[Placed in Library. *See* No. LT. 176198]

(ii) (a) Annual Report and Accounts of the Power Finanee Corporation Limited, New Delhi, for the year